



# 2019 Gas/Electric Partnership Conference

## Gas Storage Outlook

Anders Johnson VP Gas Storage

6 Feb 2019

**KINDER  MORGAN**

# Agenda

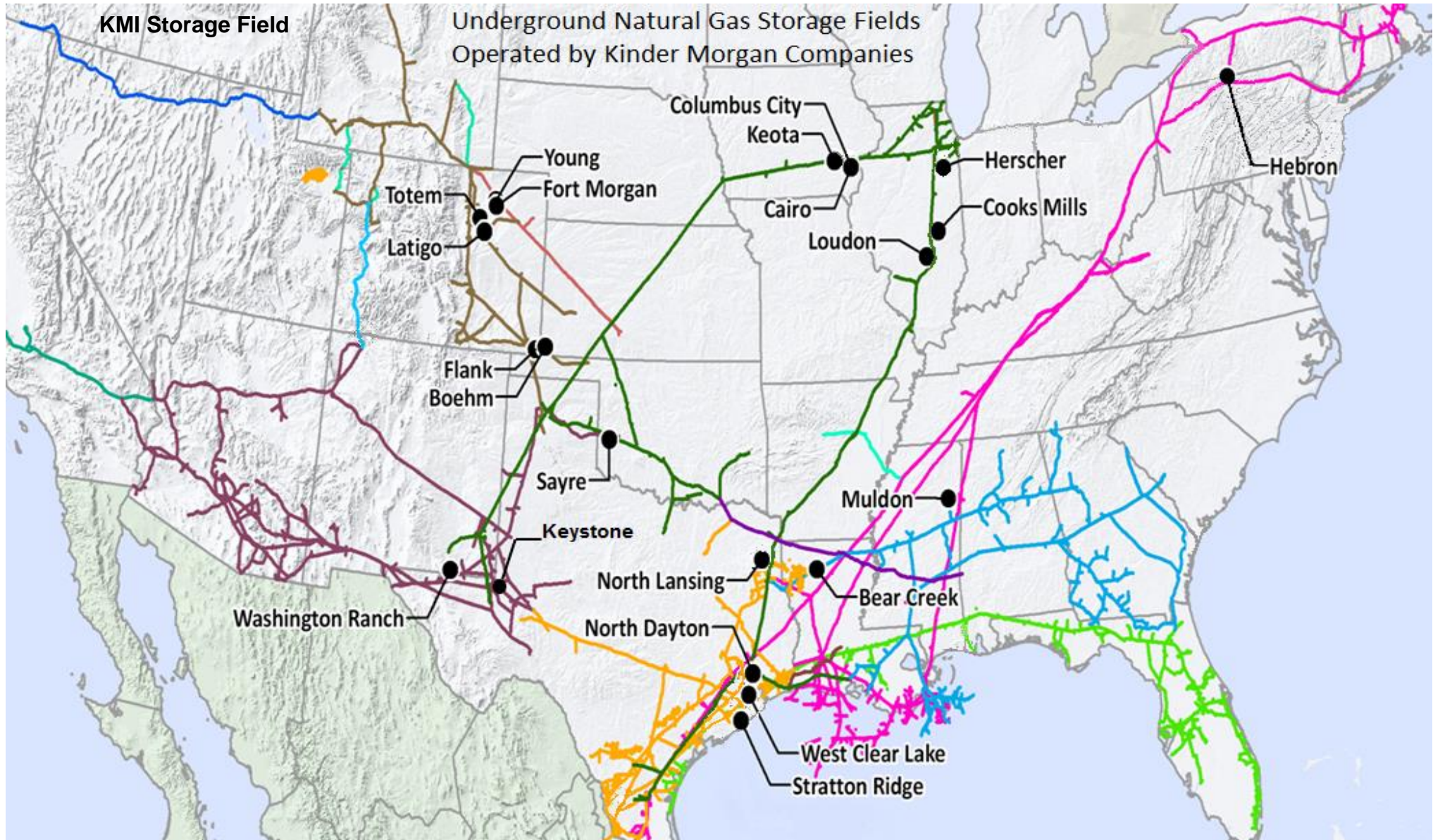
- Kinder Morgan's Underground Natural Gas Storage
- Polar Vortex heating demand
- KM's Response to Energy Infrastructure Needs
- Summary

# Cautionary Language

## *Regarding Forward-Looking Statements*

**This presentation contains forward-looking statements. These forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. In particular, statements, express or implied, concerning future actions, conditions or events, future operating results or the ability to generate revenues, income or cash flow or to make distributions or pay dividends are forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future actions, conditions or events and future results of operations of Kinder Morgan Energy Partners, L.P., Kinder Morgan Management, LLC, El Paso Pipeline Partners, L.P., and Kinder Morgan, Inc. may differ materially from those expressed in these forward-looking statements. Many of the factors that will determine these results are beyond Kinder Morgan's ability to control or predict. These statements are necessarily based upon various assumptions involving judgments with respect to the future, including, among others, the ability to achieve synergies and revenue growth; national, international, regional and local economic, competitive and regulatory conditions and developments; technological developments; capital and credit markets conditions; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets; weather conditions; environmental conditions; business and regulatory or legal decisions; the pace of deregulation of retail natural gas and electricity and certain agricultural products; the timing and success of business development efforts; terrorism; and other uncertainties. There is no assurance that any of the actions, events or results of the forward-looking statements will occur, or if any of them do, what impact they will have on our results of operations or financial condition. Because of these uncertainties, you are cautioned not to put undue reliance on any forward-looking statement.**

# Kinder Morgan Natural Gas Pipelines and Underground Storage Facilities



## ■ Regulatory Uncertainty

- Rate cases, PHMSA requirements

## ■ Economic Uncertainty

- Backwardation (lower future prices), less volatility
- Asset sales/transfers

## ■ Competition

- Wind, Solar
- Pipeline Infrastructure, 4 Bcfd incremental in Texas 2020
- LNG

## Have Li-Ion Batteries finally set sail?

**Diesel & Gas Turbine**  
**WORLDWIDE**



*Commercial model development of "e5" design is underway for all bunker supply vessels trading in Tokyo Bay. The target of the first vessel launching is set for the fourth quarter of 2020. The project is also working for creating "e5" coastal vessels which would require longer cruising range.*

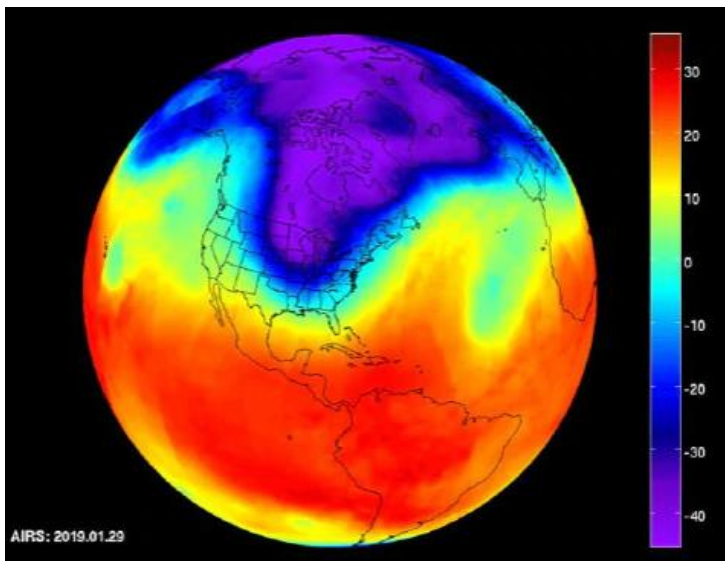
# Polar Vortex - Supply from Gas Storage

January 30<sup>th</sup> Gas Storage provide the equivalent of 7 million MWh

Polar Vortex - Chicago

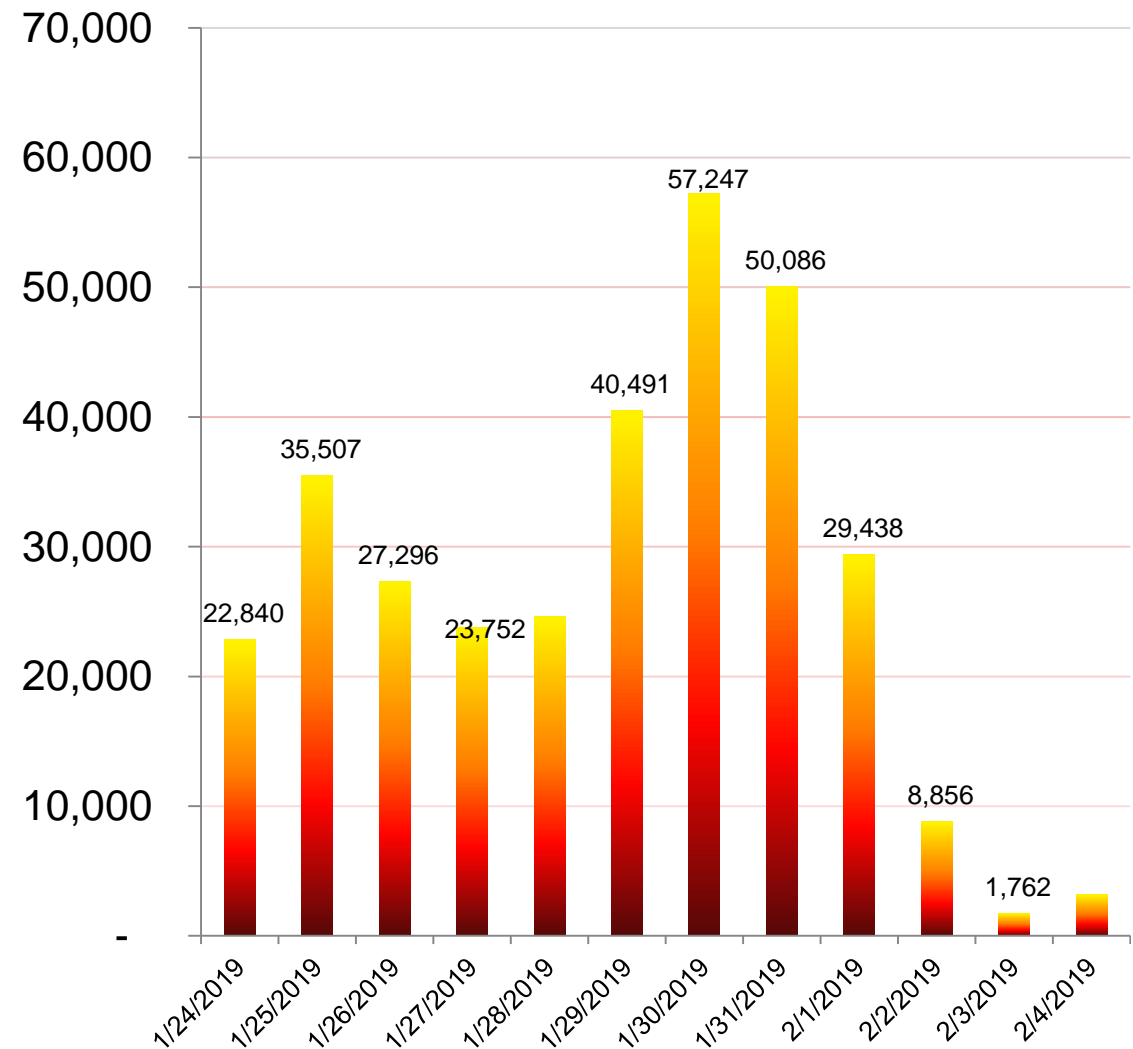


Source: Getty Images 2019

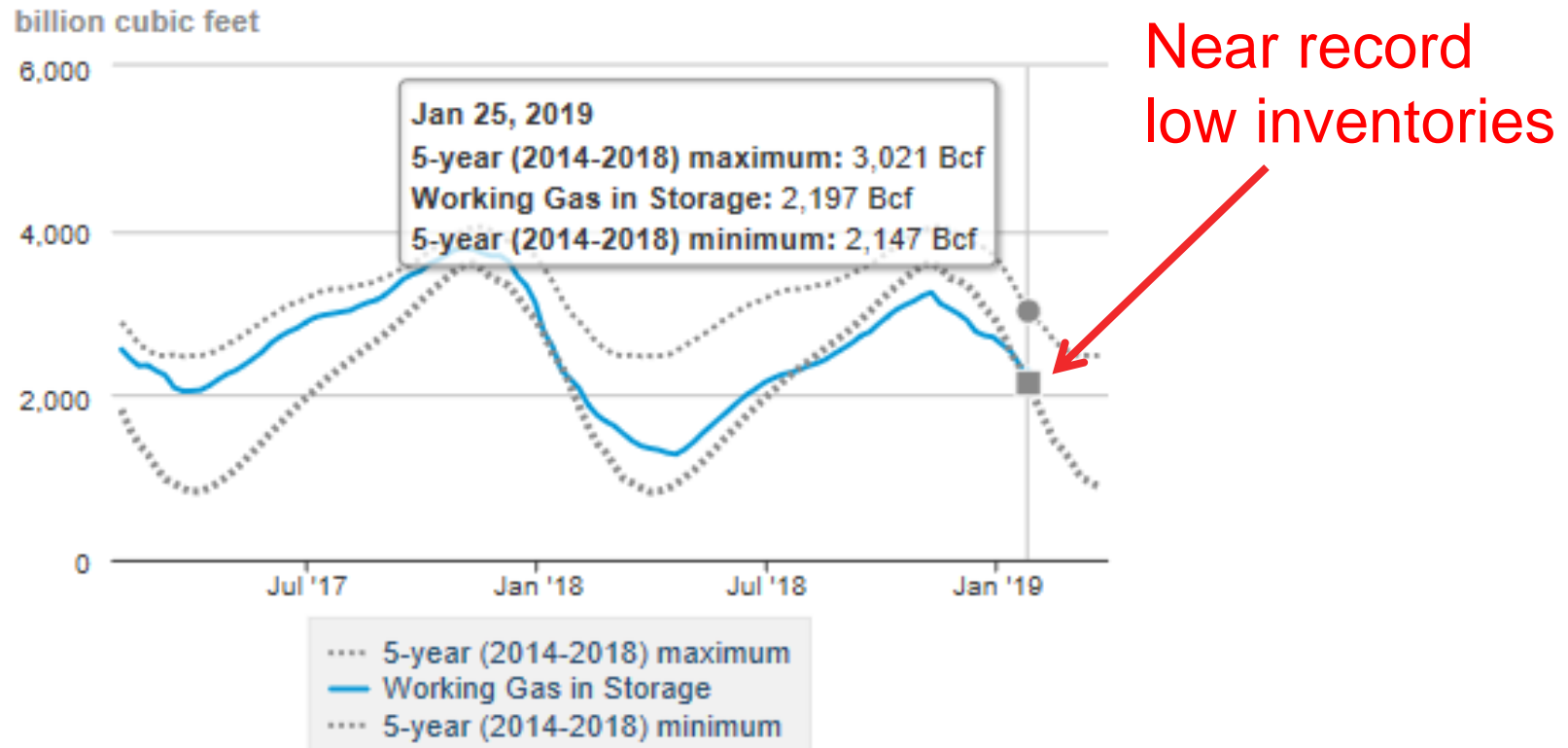


Source: NASA Jan 2019

## U.S. Daily Storage Gas Sendout (BCF)



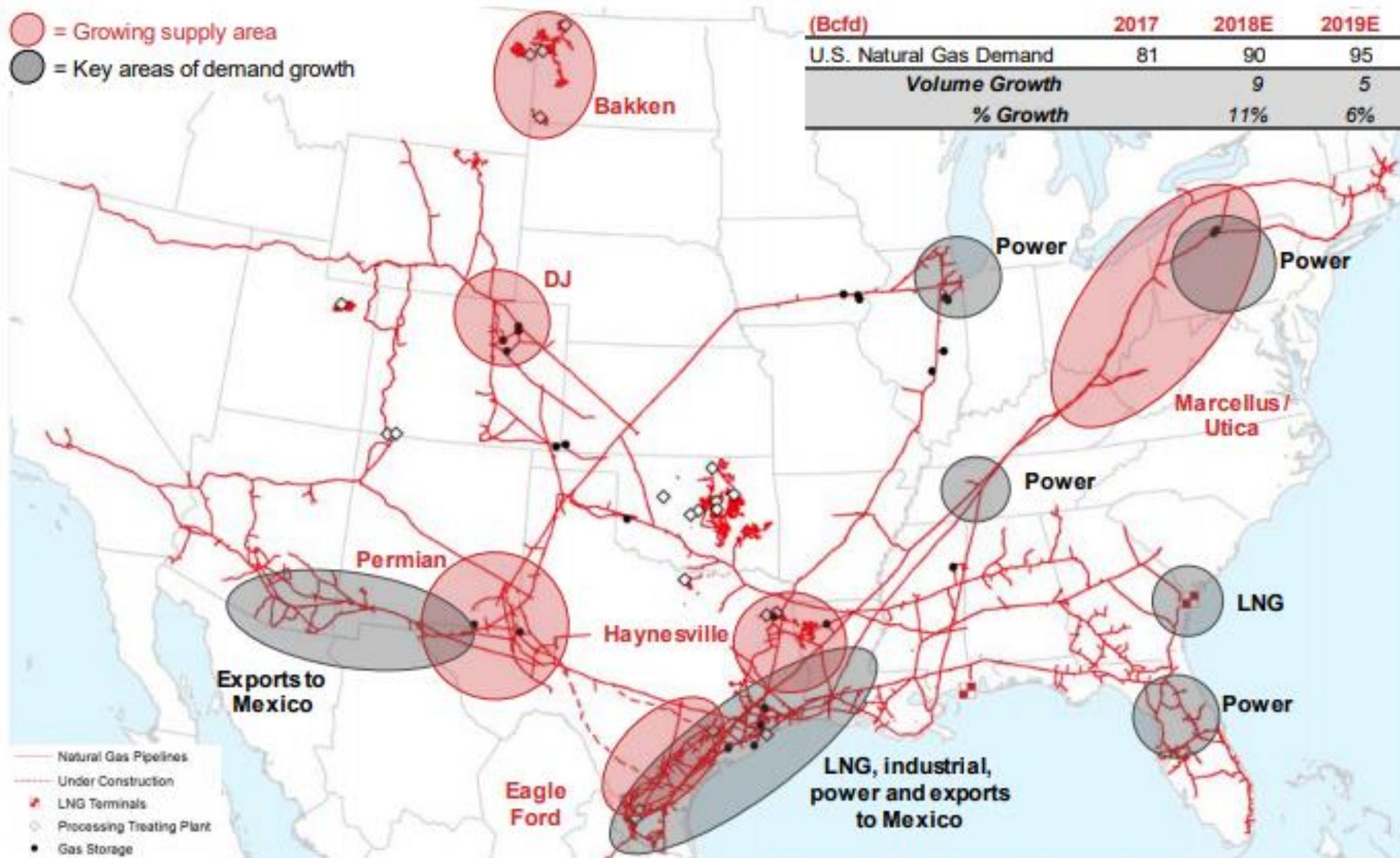
# Current Status of Gas Storage



Source: Form EIA-912, "Weekly Underground Natural Gas Storage Report"



# Kinder Morgan's Gas View



- Kinder Morgan and the industry, through AGA and INGAA, are proactively working to maintain the safety of underground natural gas storage and delivery the energy people need
- Temperature extremes demonstrate the value of natural gas and underground natural gas storage
- Investments in new gas storage may be stagnant for the next two years as new pipelines flatten price swings
- The gas industry remains a key source of reliable affordable energy for the United States and the world for many years